

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**TOWNSHIP OF CONWAY**

**LIVINGSTON COUNTY, MICHIGAN**

**MARCH 31, 2005**

# AUDITING PROCEDURES REPORT

Issued under P.A. 2 of 1968, as amended. Filing is mandatory.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name <b>CONWAY</b>	County <b>LIVINGSTON</b>
Audit Date <b>3-31-05</b>	Opinion Date <b>8-3-05</b>	Date Accountant Report Submitted to State: <b>8-25-05</b>	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- |   |   |
|---|---|
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.   |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).  |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).  |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.   |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).   |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.   |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year). |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).   |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).  |

## We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			X
Reports on individual federal financial assistance programs (program audits).			X
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) <b>JAMES M. IRELAND, P.C.</b>			
Street Address <b>6920 S. CEDAR ST., SUITE #3</b>	City <b>LANSING</b>	State <b>MI</b>	ZIP <b>48911-6924</b>
Accountant Signature <b>James M. Ireland, CPA</b>			

**TOWNSHIP OF CONWAY**

**TOWNSHIP BOARD**

Dennis Kreeger	-	Supervisor
Chester Dietrich	-	Clerk
Kathy DeMarais	-	Treasurer
Lawrence Parsons	-	Trustee
Eric West	-	Trustee

**TOWNSHIP OF CONWAY**  
**LIVINGSTON COUNTY, MICHIGAN**

Table of Contents

	<u>PAGE</u>
Independent Auditor's Report. ....	1
<u>Combined Statements - Overview:</u>	
Statement of Net Assets .....	2
Statement of Activities .....	3
Balance Sheet - Governmental Activities .....	4
Statement of Revenues, Expenditures and Changes in Fund Balance - General Fund .....	5
Statement of Net Assets - Fiduciary Funds .....	6
Statement of Changes in Fiduciary Net Assets .....	7
Notes to Financial Statements .....	8-12
Management's Discussion and Analysis .....	13-15
<u>Financial Statements of Individual Funds:</u>	
General Fund:	
Balance Sheet .....	16
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual. ....	17-22
Improvement Revolving Fund:	
Balance Sheet .....	23
Statement of Revenues, Expenditures and Changes in Fund Balance .....	24
Statement of Cash Flows .....	25
Fiduciary Funds:	
Combining Balance Sheet .....	26
Cemetery Trust Fund:	
Balance Sheet .....	27
Statement of Revenues, Expenses and Changes in Fund Balance .....	28
Statement of Cash Flows .....	29
Statement of Changes in Assets and Liabilities - Agency Fund .....	30
Statement of Cash Receipts and Disbursements: Current Tax Collection Fund .....	31

**JAMES M. IRELAND, P.C.**  
CERTIFIED PUBLIC ACCOUNTANT  
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Independent Auditor's Report

Members of the Township Board  
Township of Conway  
Livingston County, Michigan

Board members:

We have audited the accompanying general purpose financial statements of the Township of Conway as of and for the year ended March 31, 2005, as listed in the table of contents. These general purpose financial statements are the responsibility of the township's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Township of Conway as of March 31, 2005, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.



Certified Public Accountant

August 3, 2005

**TOWNSHIP OF CONWAY**  
**STATEMENT OF NET ASSETS**

March 31, 2005

	<u>Governmental Activities</u>
<u>Assets</u>	
Cash	\$ 350,046
Receivables	345,155
Capital assets:	
Land	39,137
Other capital assets, net of depreciation	<u>642,873</u>
Total Capital Assets	682,010
Total Assets	1,377,211
<u>Liabilities</u>	
Deposits	<u>1,984</u>
<u>Net Assets</u>	<u>\$ 1,375,227</u>
<u>Net Assets</u>	
Invested in capital assets, net of any related debt	\$ 682,010
Unrestricted	<u>693,217</u>
<u>Total Net Assets</u>	<u>\$ 1,375,227</u>

See accompanying notes to financial statements.

## TOWNSHIP OF CONWAY

## STATEMENT OF ACTIVITIES

For the Year Ended March 31, 2005

Functions/Programs	Expenses	Program Revenues Charges for Services	Net (Expense) Revenue and Changes in Net Assets Governmental Activities
Primary government:			
Governmental activities:			
General government	\$ 129,307	\$ 11,789	\$ (117,518)
Public safety	65,465	-	(65,465)
Public works	74,362	-	(74,362)
Health and sanitation	2,280	-	(2,280)
Culture and recreation	10,572	-	(10,572)
Total governmental activities	<u>\$ 281,986</u>	<u>\$ 11,789</u>	<u>\$ (270,197)</u>
General Revenues:			
Taxes:			
Property taxes, levied for general purposes			313,577
State shared revenue			190,311
Unrestricted investment earnings			5,127
Miscellaneous			6,610
Total general revenues			<u>515,625</u>
Change in Net Assets			245,428
Net Assets - April 1, 2004			1,129,800
Net Assets - March 31, 2005			<u>\$ 1,375,228</u>

See accompanying notes to financial statements.

## TOWNSHIP OF CONWAY

## BALANCE SHEET - GOVERNMENTAL FUNDS

March 31, 2005

	<u>General</u>
<u>Assets</u>	
Cash	
Receivables, net	\$ 350,046
Due from other funds	62,888
	<u>282,267</u>
<u>Total Assets</u>	<u>695,201</u>
<u>Liabilities</u>	
Deposits	1,984
Fund balance:	
Unreserved	<u>693,217</u>
<u>Total Liabilities and Fund Balance</u>	<u>\$ 695,201</u>

See accompanying notes to financial statements.



**TOWNSHIP OF CONWAY**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - GENERAL FUND**

March 31, 2005

<u>Revenues:</u>	
Taxes	\$ 313,577
Licenses and permits	6,435
State grants	190,311
Charges for services	5,354
Miscellaneous	11,716
	<hr/>
Total Revenues	527,393
<u>Expenditures:</u>	
General government	121,234
Public safety	64,365
Public works	74,362
Health and welfare	2,280
Culture and recreation	10,572
Capital outlay	128,655
	<hr/>
Total Expenditures	401,468
	<hr/>
Excess (Deficiency) of Revenues over Expenditures	125,925
<u>Other Financing Sources (uses)</u>	
Transfer from (to) other funds	21
	<hr/>
Net change in fund balance	125,946
Fund Balance, April 1	542,249
Adjustment to opening balance	25,022
	<hr/>
<u>Fund Balances, March 31</u>	<u>\$ 693,217</u>
Net change in fund balances-total governmental funds, above.	\$ 125,946
Amounts reported for governmental activities in the statement of activities (Page 3) are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$128,655) exceeded depreciation (\$9,173) in the current period.	
	<hr/>
Change in net assets of governmental activities, Page 3.	<u>\$ 245,428</u>
See accompanying notes to financial statements.	

**TOWNSHIP OF CONWAY**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**

March 31, 2005

	Cemetery Trust Fund	Agency Funds	3/31/05
<u>Assets</u>			
Cash	\$ 3,174.68	\$ 282,267.27	\$ 285,441.95
Certificates of deposit	2,000.00	-	2,000.00
Interest receivable	1.00	-	1.00
<u>Total Assets</u>	<u>\$ 5,175.68</u>	<u>\$ 282,267.27</u>	<u>\$ 287,442.95</u>
<u>Liabilities</u>			
Due to general fund	\$ -	\$ 282,267.27	\$ 282,267.27
Due to other governmental units	-	-	-
<u>Total Liabilities</u>	-	282,267.27	282,267.27
<u>Net Assets</u>	<u>\$ 5,175.68</u>	<u>\$ -</u>	<u>\$ 5,175.68</u>

See accompanying notes to financial statements.

## TOWNSHIP OF CONWAY

STATEMENTS OF CHANGES IN FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS

Year Ended March 31, 2005

	<u>3/31/05</u>
<u>Operating Revenues</u>	
Interest earned	\$ 30.11
Perpetual care - lot sales	-
Total Operating Revenues	<u>30.11</u>
<u>Other Uses</u>	
Transfer to general fund	<u>20.81</u>
Change in net assets	9.30
Net Assets, April 1	<u>5,166.38</u>
<u>Net Assets, March 31</u>	<u>\$ 5,175.68</u>

See accompanying notes to financial statements.

TOWNSHIP OF CONWAY  
NOTES TO FINANCIAL STATEMENTS

March 31, 2005

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

In accordance with generally accepted accounting principles and Governmental Accounting Standards Board (GASB) Statement No. 14 "The Financial Reporting Entity", these financial statements present the Township of Conway and its component units. The criteria established by the GASB for determining the reporting entity includes oversight responsibility, fiscal dependency, and whether the financial statements would be misleading if data were not included.

Basis of Presentation

The accounts of the government are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.

The financial activities of the Township of Conway are recorded in separate funds and account groups, categorized as follows:

GOVERNMENTAL FUNDS

General Fund

This fund is used to account for all financial resources except those provided for in another fund. Revenues are primarily derived from property taxes, State and Federal aid, and charges for services to provide for the administration and operation of: (1) general governmental departments, boards and commissions; (2) law enforcement; and (3) health, welfare and medical assistance. The fund includes the general operating expenditures of the local unit.

Proprietary Funds

Internal Service Funds - Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the township, or to other governments, on a cost-reimbursement basis.

**TOWNSHIP OF CONWAY**  
**NOTES TO FINANCIAL STATEMENTS**

March 31, 2005

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FIDUCIARY FUNDS

Trust and Agency Funds

These funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include: (a) Expendable Trust Funds; (b) Nonexpendable Trust Funds ©) Pension Trust Fund; and (d) Agency Funds.

ACCOUNT GROUPS

General Fixed Assets Account Group

This Account Group presents the fixed assets of the local unit utilized in its general operations (nonproprietary fixed assets).

Fixed assets used in the general operation of the township are recorded as expenditures when purchased and are accounted for in the General Fixed Assets Account Group. No depreciation is recorded for these general fixed assets. Infrastructure assets, including roads, bridges, drains, curbs, and gutters are not capitalized.

CASH, CASH EQUIVALENTS, AND INVESTMENTS

For purposes of the statement of cash flows, demand deposits and short-term investments with a maturity date of three months or less when acquired are considered to be cash equivalents.

Investments are stated at cost.

BASIS OF ACCOUNTING

The modified accrual basis of accounting is used by all Governmental Funds, Agency Funds and Expendable Trust Funds. Revenue and other sources are recognized in the accounting period in which they become susceptible to accrual--that is when they become both measurable and available to finance expenditures of the fiscal period. Expenditures are recognized when the related liability is incurred. Modifications from the accrual basis are as follows:

- a. Property tax revenue is recognized in accordance with MCGAA Statement 3:

Properties are assessed and liened as of December 31 and their related property taxes are billed on December 1 of the following year. These taxes are due on February 14 with the final collection date of February 28 before they are added to the county delinquent tax rolls.

**TOWNSHIP OF CONWAY**  
**NOTES TO FINANCIAL STATEMENTS**

March 31, 2005

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**BASIS OF ACCOUNTING** (cont'd)

- b. Payments for inventoriable types of supplies are recorded as expenditures at the time of purchase.
- c. Normally, expenditures are not divided between years by the recording of prepaid expenses.

**Budgets and Budgetary Accounting:**

The Township follows these procedures in establishing the budgetary data reflected in the financial statements.

- 1. Prior to December 1, the Supervisor submits to the Board a proposed operating budget for the fiscal year commencing the following April 1. The operating budget includes proposed expenditures and the means of financing them. The budgets are adopted to the activity level.
- 2. Public hearings are conducted at the Township hall to obtain taxpayer comments.
- 3. Prior to February 1, the budget is legally enacted through passage of a resolution.
- 4. Budgets for the governmental fund types and the expendable trust funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
- 5. Budgeted amounts are as originally adopted, or as amended by the Township Board.

**Comparative Data:**

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Township's financial position and operations.

**Investments:**

Investments are stated at cost.

**Property Tax and Delinquent Taxes Receivable**

Taxes are levied for the Township on December 1. The Township bills and collects its own property taxes. Property taxes not paid to the Township treasurer by the final due date in March are turned over to the County treasurer. The County purchases the delinquent taxes of the Township and normally remits the taxes to the Township the following year. The taxes paid by the county are included as revenue on the Township's books at the preceding March 31 date.

**TOWNSHIP OF CONWAY**  
**NOTES TO FINANCIAL STATEMENTS**

March 31, 2005

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property Tax and Delinquent Taxes Receivable (cont'd)

The 2004 Taxable valuation of the Township totaled \$98,575,217, on which ad valorem taxes levied consisted of 2.9105 mills for operating purposes and road maintenance. These amounts are recognized in the general fund.

Delinquent Taxes Receivable

	<u>TAX</u>	<u>PTAF</u>	<u>TOTAL</u>
2004 Tax Levy	\$286,895	\$26,682	\$313,577
2004 Taxes Collected	<u>255,412</u>	<u>24,437</u>	<u>279,849</u>
2004 Taxes Uncollected	31,483	2,245	33,728
Delinquent Taxes Receivable, April 1	17,039	1,712	18,751
Delinquent Taxes Collected	<u>17,039</u>	<u>1,712</u>	<u>18,751</u>
Delinquent Taxes Receivable, March 31	<u>\$ 31,483</u>	<u>\$ 2,245</u>	<u>\$ 33,728</u>
<u>Summary by Year of Levy</u>			
2004	<u>\$ 31,483</u>	<u>\$ 2,245</u>	<u>\$ 33,728</u>

Total Columns on Combined Statements - Overview:

Total columns on the Combined Statements - Overview are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

BALANCE SHEET--CASH AND INVESTMENTS

Deposits are carried at cost. Deposits are in one financial institution in the name of Conway Township Treasurer. Michigan Compiled Laws, Section 129.91, authorizes the Township to deposit and invest in the accounts of Federally insured banks, credit unions, and savings and loan associations.

**TOWNSHIP OF CONWAY**  
**NOTES TO FINANCIAL STATEMENTS**

March 31, 2005

**BALANCE SHEET--CASH AND INVESTMENTS**

Investments can also be made in bonds, securities and other obligations of the United States, or an agency or instrumentality of the United States, which are guaranteed as to principal and interest by the United States, including securities issued by the Government National Mortgage Association; United States government or Federal agency obligation repurchase agreements; bankers' acceptance of United States banks; commercial paper rated within the three highest classifications by not less than two standard rating services which mature not more than 270 days after the date of purchase and which involve no more than 50 percent of any one fund. Michigan law prohibits security in the form of collateral, surety bonds, or other forms for the deposit of public money. Attorney General's Opinion No. 6168 states that public funds may not be deposited in financial institutions located in states other than Michigan. The Township's deposits are in accordance with statutory authority.

The Governmental Accounting Standards Board (GASB) Statement No. 3 risk disclosure for deposits at year end are as follows:

Deposits

Insured (FDIC)	\$400,000
Uninsured	<u>237,488</u>
Total Deposits	<u>\$637,488</u>

At year end, the balance sheet carrying amount of deposits was \$637,488.

Interfund Receivables and Payables

Interfund receivables and payables as of March 31, 2005 are as follows:

	<u>Receivables</u>	<u>Payables</u>
General	\$282,627	\$ -
Current Tax Collection	<u>-</u>	<u>282,627</u>
<u>Totals</u>	<u>\$282,627</u>	<u>\$282,627</u>



**TOWNSHIP OF CONWAY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

March 31, 2005

---

**New Financial Reporting**

Starting with fiscal year 2004-2005 the Township of Conway, Michigan (the "Township") has revised and improved its financial reporting document. These changes are a result of standards set by the Governmental Accounting Standards Board (GASB). The intent of these new standards is to provide citizens, taxpayers, customers, and investors with a better understanding of how the Township's money and other assets are managed.

The new standards set by GASB are intended to give the reader of this annual financial report a better understanding of the financial status of the Township. The new standards introduce accounting rules and systems that are common in the private sector. This report presents a much broader picture of the Township's financial status. Through this comprehensive reporting of assets and liabilities, the reader should have a greater understanding of the Township's financial health.

The discussion and analysis of the Township's financial performance provides an overview of the Township's financial activities for the fiscal year ended March 31, 2005. Please read it in conjunction with the Township's financial statements.

**Financial Highlights**

As discussed in further detail in this discussion and analysis, the following represents the most significant financial highlights for the year ended March 31, 2005:

Property tax revenues increased approximately \$99,575 from the prior year. The increase is the net result of increasing road millage in the Township.

Total fund balances related to the Township's governmental funds increased by \$150,968.

**Using this Annual Report**

This annual report consists of a series of financial statements. The statement of new assets and the statement of activities provide information about the activities of the Township of Conway as a whole and present a longer-term view of the Township's finances. This longer-term view uses the accrual basis of accounting so that it can measure the cost of providing government services.

**TOWNSHIP OF CONWAY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

March 31, 2005

Using this Annual Report (Cont'd)

The fund financial statements present a short-term view; they tell us how the taxpayers' resources were spent during the year, as well as how much is available for future spending. Fund financial statements also report the operations of the Township of Conway in more detail than the government-wide financial statements by providing information about the Township's most significant funds. The fiduciary fund statements provide financial information about activities for which the Township of Conway acts solely as a trustee or agent for the benefit of those outside the government.

The following table shows the changes in net assets during the current year. Future reports will provide comparative data for the statement of activities. Comparative data is not required during the first year of reporting under requirements of GASB Statement No. 34.

<b>Revenue</b>	
Program revenue:	
Charges for services	\$ 11,789
General revenue:	
Property taxes	313,577
State shared revenue	190,311
Investment earnings	5,129
Other revenue	<u>6,608</u>
Total revenue	527,414
<b>Program Expenses</b>	
General government	121,234
Public safety	64,365
Public works	74,362
Health and welfare	2,280
Culture and recreation	10,572
Capital outlay	<u>128,655</u>
Total program expenses	<u>401,468</u>
<b>Change in Net Assets</b>	<u><u>\$125,946</u></u>

Governmental Activities

The Township's governmental revenues totaled \$527,414 with the greatest revenue source being property tax revenue. Property taxes make up approximately 59.5% percent of total governmental revenue. Over the past few years, state shared revenue and interest income have both declined.

The Township incurred expenses of \$401,468 during the year.

**TOWNSHIP OF CONWAY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

March 31, 2005

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General Fund Budgetary Highlights

Over the course of the fiscal year, the Township board made necessary budget adjustments to fund unanticipated expenditures during the year. Most departments came in under budget at year end, an overall favorable variance approximately \$323,687 from budget.

Current Economic Factors

Revenue sharing is the most significant budgetary concern at this time. The State of Michigan is experiencing significant budget problems, and as they look for solutions, revenue sharing continues to be under attack.

Contacting the Township's Management

This financial report is intended to provide our citizens, taxpayers, customers, and investors with a general overview of the Township's finances and demonstrate the Township's accountability for the money it receives. If you have questions about this report or need additional information, we welcome you to contact the Township Board.

**TOWNSHIP OF CONWAY**  
**GENERAL FUND**

**BALANCE SHEET**

March 31, 2005 and 2004

	<u>3/31/05</u>	<u>3/31/04</u>
<u>Assets</u>		
Cash in bank - checking	\$ 98,709.73	\$ 65,867.30
Cash in bank - savings and money market	249,352.63	261,726.07
Cash in bank - escrow	1,983.62	1,983.62
Delinquent taxes receivable	33,728.53	18,750.55
Interest receivable	310.00	-
Accounts receivable	28,849.00	-
Due from tax fund	<u>282,267.27</u>	<u>195,905.58</u>
<u>Total Assets</u>	<u>\$ 695,200.78</u>	<u>\$ 544,233.12</u>
<u>Liabilities</u>		
Performance deposits	\$ 1,983.62	\$ 1,983.62
Fund Balance:		
Unreserved	<u>693,217.16</u>	<u>542,249.50</u>
<u>Total Liabilities and Fund Balance</u>	<u>\$ 695,200.78</u>	<u>\$ 544,233.12</u>

See accompanying notes to financial statements.

**TOWNSHIP OF CONWAY**  
**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**

Year Ended March 31, 2005  
With Comparative Totals for Year Ended March 31, 2004

	3/31/05		Variance-	3/31/04
	Budget	Actual	Favorable (Unfavorable)	Actual
<u>Revenues</u>				
Taxes:				
Current property taxes		\$ 286,894.60		\$ 192,898.91
Excess of roll		-		19.09
Property tax administration fee		26,682.40		21,082.22
Penalties and interest		-		1.31
Total Taxes	\$ 213,651.76	313,577.00	\$ 99,925.24	214,001.53
Licenses and permits:				
Permits and fees	7,500.00	6,435.00	(1,065.00)	7,840.00
State grants:				
State shared revenue	185,000.00	190,311.04	5,311.04	190,039.00
Charges for services:				
Collection fees		5,354.00		4,245.00
Grave openings		-		1,500.00
Sale of cemetery lots		-		200.00
Sale of trees		-		1,695.00
Land division fees		-		550.00
Sales - miscellaneous		-		70.00
Total Charges for services	-	5,354.00	5,354.00	8,260.00
Miscellaneous:				
Interest earned		5,126.59		5,755.67
Rents and royalties		3,700.00		1,310.00
Miscellaneous		2,889.00		123.79
Total Miscellaneous	6,800.00	11,715.59	4,915.59	7,189.46
<u>Total Revenues</u>	\$ 412,951.76	\$ 527,392.63	\$ 114,440.87	\$ 427,329.99

**TOWNSHIP OF CONWAY**  
**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**

Year Ended March 31, 2005  
With Comparative Totals for Year Ended March 31, 2004

	3/31/05		Variance- Favorable (Unfavorable)	3/31/04 Actual
	Budget	Actual		
<u>Expenditures</u>				
Township board:				
Salaries		\$ 2,160.00		\$ 2,400.00
Office supplies and postage		333.00		123.05
Economic development donation		1,000.00		-
Printing and publishing		733.50		603.00
Membership and dues		1,739.71		1,631.63
Other		447.00		571.17
Total Township Board	\$ 13,500.00	6,413.21	\$ 7,086.79	5,328.85
Supervisor:				
Salaries		13,000.00		13,000.00
Office supplies		-		37.00
Tax roll		1,385.20		2,999.30
Printing and publishing		490.11		533.76
Other		-		52.40
Total Supervisor	18,000.00	14,875.31	3,124.69	16,622.46
Elections:				
Salaries		1,758.00		-
Supplies		1,594.38		183.34
Printing and publishing		435.05		-
Total Election	8,500.00	3,787.43	4,712.57	183.34
<u>Forward</u>	\$ 40,000.00	\$ 25,075.95	\$ 14,924.05	\$ 22,134.65

**TOWNSHIP OF CONWAY  
GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL**

Year Ended March 31, 2005  
With Comparative Totals for Year Ended March 31, 2004

	3/31/05		Variance- Favorable (Unfavorable)	3/31/04 Actual
	Budget	Actual		
<u>Forwarded</u>	\$ 40,000.00	\$ 25,075.95	\$ 14,924.05	\$ 22,134.65
<u>Expenditures</u> (cont'd)				
Assessor:				
Contracted services		18,900.00		14,400.00
Miscellaneous		131.24		-
Total Assessor	19,100.00	19,031.24	68.76	14,400.00
Attorney:				
Professional services	8,000.00	2,450.00	5,550.00	4,826.50
Audit:				
Professional services	-	2,000.00	(2,000.00)	1,950.00
Clerk:				
Salaries		16,940.00		16,500.00
Supplies and postage		1,111.88		289.36
Miscellaneous		75.06		-
Total Clerk	18,500.00	18,126.94	373.06	16,789.36
Board of Review:				
Salaries		840.00		960.00
Printing and publishing		88.37		60.00
Total Board of Review	2,000.00	928.37	1,071.63	1,020.00
<u>Forward</u>	\$ 87,600.00	\$ 67,612.50	\$ 19,987.50	\$ 61,120.51

**TOWNSHIP OF CONWAY  
GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL**

Year Ended March 31, 2005  
With Comparative Totals for Year Ended March 31, 2004

	3/31/05		Variance- Favorable (Unfavorable)	3/31/04 Actual
	Budget	Actual		
<u>Forwarded</u>	\$ 87,600.00	\$ 67,612.50	\$ 19,987.50	\$ 61,120.51
Treasurer:				
Salaries		14,000.00		13,000.00
Office supplies and postage		1,839.00		2,405.00
Other		154.70		824.96
Total Treasurer	18,500.00	15,993.70	2,506.30	16,229.96
Hall and grounds:				
Supplies		3,494.95		1,810.59
Software support		510.00		420.00
Telephone		1,621.34		897.83
Utilities		5,487.96		2,844.75
Repairs and maintenance		2,359.10		2,479.00
Total Hall and Grounds	40,000.00	13,473.35	26,526.65	8,452.17
Cemetery:				
Contracted services	7,000.00	6,635.00	365.00	5,480.00
Fire:				
Contracted services	50,000.00	42,629.57	7,370.43	48,895.80
Planning and zoning				
Salaries		8,350.00		8,815.00
Contracted services		13,870.44		-
Printing and publishing		614.48		226.00
Total Planning and Zoning	25,000.00	22,834.92	2,165.08	9,041.00
<u>Forward</u>	\$ 228,100.00	\$ 169,179.04	\$ 58,920.96	\$ 149,219.44



**TOWNSHIP OF CONWAY  
GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL**

Year Ended March 31, 2005  
With Comparative Totals for Year Ended March 31, 2004

	3/31/05		Variance- Favorable (Unfavorable)	3/31/04 Actual
	Budget	Actual		
<u>Forwarded</u>	\$ 228,100.00	\$ 169,179.04	\$ 58,920.96	\$ 149,219.44
<u>Expenditures</u> (cont'd)				
Drain at large:				
County drain tax	15,000.00	13,047.87	1,952.13	23,204.11
Highway and streets:				
Contracted services	200,000.00	61,314.08	138,685.92	195,478.74
Sanitation:				
Spring cleanup	2,500.00	2,280.00	220.00	-
Parks and recreation:				
Contribution	8,500.00	10,571.90	(2,071.90)	15,118.18
Other functions:				
Insurance and bonds		11,904.00		11,581.00
Employer's portion of FICA		4,516.08		4,183.46
Total Other Functions	12,500.00	16,420.08	(3,920.08)	15,764.46
Debt Service:				
Interest on debt	15,000.00	-	15,000.00	-
Capital outlay:				
Hall furniture and sign		21,490.08		3,704.11
Townhall		107,164.73		-
Total Capital Outlay	219,293.68	128,654.81	90,638.87	3,704.11
Total Expenditures	700,893.68	401,467.78	299,425.90	402,489.04

**TOWNSHIP OF CONWAY  
GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

Year Ended March 31, 2005  
With Comparative Totals for Year Ended March 31, 2004

	3/31/05		Variance- Favorable (Unfavorable)	3/31/04 Actual
	Budget	Actual		
Excess (Deficiency) of Revenues over Expenditures	\$ (287,941.92)	\$ 125,924.85	\$ 413,866.77	\$ 24,840.95
<u>Other Sources (Uses)</u>				
Contribution from cemetery fund	-	20.81	20.81	20.87
Contribution from improvement fund	90,201.00	-	(90,201.00)	-
Total Other Sources (Uses)	90,201.00	20.81	(90,180.19)	20.87
Excess (Deficiency) of Revenues and Other Sources over Expenditures and other Uses	(197,740.92)	125,945.66	323,686.58	24,861.82
Fund Balance, April 1	542,249.50	542,249.50	-	517,387.68
Adjustments to opening balance	-	25,022.00	25,022.00	-
<u>Fund Balance, March 31</u>	<u>\$ 344,508.58</u>	<u>\$ 693,217.16</u>	<u>\$ 348,708.58</u>	<u>\$ 542,249.50</u>

See accompanying notes to financial statements.

**TOWNSHIP OF CONWAY  
IMPROVEMENT FUND**

**BALANCE SHEET**

March 31, 2005 and 2004

	<u>3/31/05</u>	<u>3/31/04</u>
<u>Assets</u>		
Cash in bank - savings and money market	\$ -	\$ 11,544.44
Certificates of deposit	-	94,173.77
	<u>-</u>	<u>94,173.77</u>
<u>Total Assets</u>	<u>\$ -</u>	<u>\$ 105,718.21</u>
<u>Liabilities</u>		
Construction accounts payable	\$ -	\$ 94,241.31
<u>Fund balance</u>		
Reserved for improvements	-	11,476.90
	<u>-</u>	<u>11,476.90</u>
<u>Total Liabilities and Fund Balance</u>	<u>\$ -</u>	<u>\$ 105,718.21</u>

See accompanying notes to financial statements.

**TOWNSHIP OF CONWAY  
IMPROVEMENT FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE**

Years Ended March 31, 2005 and 2004

	<u>3/31/05</u>	<u>3/31/04</u>
<u>Revenues</u>		
Interest earned	\$ 69.27	\$ 233.76
<u>Expenditures</u>		
Townhall construction	<u>11,546.17</u>	<u>522,553.55</u>
Excess (Deficiency) of Revenues over Expenditures	(11,476.90)	(522,319.79)
Fund Balance, April 1	<u>11,476.90</u>	<u>533,796.69</u>
<u>Fund Balance, March 31</u>	<u>\$ -</u>	<u>\$ 11,476.90</u>

See accompanying notes to financial statements.

**TOWNSHIP OF CONWAY  
IMPROVEMENT FUND**

**STATEMENT OF CASH FLOWS**

Years ended March 31, 2005 and 2004

	<u>3/31/05</u>	<u>3/31/04</u>
<u>Operating Activities</u>		
Excess (Deficiency) of revenues and other sources over expenditures	\$ (11,476.90)	\$ (522,319.79)
Adjustments to reconcile net income to cash provided by operating activities:		
Changes in receivables and payables:		
Accounts payable	<u>(94,241.31)</u>	<u>94,241.31</u>
Net Cash Provided by (used in) Operating Activities	(105,718.21)	(428,078.48)
<u>Investing Activities</u>		
(Increase) Decrease of certificates of deposit	<u>94,173.77</u>	<u>(94,173.77)</u>
Net Increase (Decrease in Cash)	(11,544.44)	(522,252.25)
Cash at Beginning of Year	<u>11,544.44</u>	<u>533,796.69</u>
<u>Cash at End of Year</u>	<u>\$ -</u>	<u>\$ 11,544.44</u>

See accompanying notes to financial statements

**TOWNSHIP OF CONWAY**  
**FIDUCIARY FUNDS**

**COMBINING BALANCE SHEET**

March 31, 2005 and 2004

	Cemetery Trust Fund	Agency Funds	Totals	
			3/31/05	3/31/04
<u>Assets</u>				
Cash	\$ 3,174.68	\$ 282,267.27	\$ 285,441.95	\$ 198,916.96
Certificates of deposit	2,000.00	-	2,000.00	2,150.00
Interest receivable	1.00	-	1.00	5.00
<u>Total Assets</u>	<u>\$ 5,175.68</u>	<u>\$ 282,267.27</u>	<u>\$ 287,442.95</u>	<u>\$ 201,071.96</u>
<u>Liabilities</u>				
Due to general fund	\$ -	\$ 282,267.27	\$ 282,267.27	\$ 195,905.58
Due to other governmental units	-	-	-	-
<u>Total Liabilities</u>	<u>-</u>	<u>282,267.27</u>	<u>282,267.27</u>	<u>195,905.58</u>
<u>Fund Balances</u>				
Reserved for perpetual care	5,175.68	-	5,175.68	5,166.38
<u>Total Liabilities and Fund Equity</u>	<u>\$ 5,175.68</u>	<u>\$ 282,267.27</u>	<u>\$ 287,442.95</u>	<u>\$ 201,071.96</u>

See accompanying notes to financial statements.

**TOWNSHIP OF CONWAY  
CEMETERY TRUST FUND**

**BALANCE SHEET**

March 31, 2005 and 2004

	<u>3/31/05</u>	<u>3/31/04</u>
<u>Assets</u>		
Cash in bank - savings	\$ 3,174.68	\$ 3,011.38
Certificates of deposit	2,000.00	2,150.00
Interest receivable	1.00	5.00
<u>Total Assets</u>	<u>\$ 5,175.68</u>	<u>\$ 5,166.38</u>
<u>Fund Balance</u>		
Reserved	<u>\$ 5,175.68</u>	<u>\$ 5,166.38</u>

See accompanying notes to financial statements.

**TOWNSHIP OF CONWAY  
CEMETERY TRUST FUND**

**STATEMENTS OF REVENUES, EXPENSES AND  
CHANGES IN FUND BALANCE**

Years Ended March 31, 2005 and 2004

	<u>3/31/05</u>	<u>3/31/04</u>
<u>Operating Revenues</u>		
Interest earned	\$ 30.11	\$ 27.93
Perpetual care - lot sales	<u>-</u>	<u>-</u>
Total Operating Revenues	30.11	27.93
<u>Other Uses</u>		
Transfer to general fund	<u>20.81</u>	<u>20.87</u>
Net Income	9.30	7.06
Fund Balance, April 1	<u>5,166.38</u>	<u>5,159.32</u>
<u>Fund Balance, March 31</u>	<u>\$ 5,175.68</u>	<u>\$ 5,166.38</u>

See accompanying notes to financial statements.



**TOWNSHIP OF CONWAY  
CEMETERY TRUST FUND**

**STATEMENT OF CASH FLOWS**

Years ended March 31, 2005 and 2004

	<u>3/31/05</u>	<u>3/31/04</u>
<u>Operating Activities</u>		
Net income	\$ 9.30	\$ 7.06
Adjustments to reconcile net income to cash provided by operating activities:		
Changes in receivables and payables:		
Interest	<u>4.00</u>	<u>2.70</u>
Net Cash Provided by Operating Activities	13.30	9.76
<u>Investing Activities</u>		
Certificates of deposit cashed	<u>150.00</u>	<u>-</u>
Net Increase in Cash	163.30	9.76
Cash at Beginning of Year	<u>3,011.38</u>	<u>3,001.62</u>
<u>Cash at End of Year</u>	<u>\$ 3,174.68</u>	<u>\$ 3,011.38</u>

See accompanying notes to financial statements.

## TOWNSHIP OF CONWAY

STATEMENT OF CHANGES IN ASSETS AND  
LIABILITIES - AGENCY FUND

Year Ended March 31, 2005

	Balance 4/1/04	Additions	Deductions	Balance 3/31/05
<u>Current Tax Collection Fund</u>				
Assets:				
Cash	\$ 195,905.58	\$2,498,565.31	\$2,412,203.62	\$ 282,267.27
Liabilities:				
Due to State	\$ -	\$ 559,499.33	\$ 559,499.33	\$ -
Due to county	-	384,400.27	384,400.27	-
Due to schools	-	1,116,268.79	1,116,268.79	-
Due to General Fund	195,905.58	305,290.01	218,928.32	282,267.27
Due to library		34,647.30	34,647.30	
Due to fire authority	-	98,459.61	98,459.61	-
<u>Total Liabilities</u>	<u>\$ 195,905.58</u>	<u>\$2,498,565.31</u>	<u>\$2,412,203.62</u>	<u>\$ 282,267.27</u>

See accompanying notes to financial statements.

31

TOWNSHIP OF CONWAY  
CURRENT TAX COLLECTION FUND

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

Year Ended March 31, 2005

<u>Balance, April 1</u>		\$ 195,905.58
<u>Receipts</u>		
Current property taxes	\$2,451,374.41	
Tax administration fees	24,437.23	
Delinquent personal property taxes	1,674.25	
Delinquent real property taxes	18,445.23	
Interest earned on investments	488.94	
Dog licenses	1,712.00	
Interest on summer taxes	433.25	
	<u>                    </u>	
Total Receipts		<u>2,498,565.31</u>
Total Receipts and Balance, April 1		2,694,470.89
<u>Disbursements</u>		
State of Michigan	559,499.33	
Livingston County	384,400.27	
Fowlerville Schools	827,686.82	
Morrice Schools	5,813.31	
Webberville Schools	35,184.94	
Byron Schools	3,746.52	
Ingham Intermediate Schools	20,152.95	
Livingston Intermediate Schools	197,170.83	
Shiawassee Intermediate Schools	13,686.24	
Lansing Community College	12,827.18	
General Fund	218,928.32	
Fowlerville District Library	34,647.30	
Fowlerville Fire Authority	98,459.61	
	<u>                    </u>	
Total Disbursements		<u>2,412,203.62</u>
<u>Balance, March 31</u>		<u><u>\$ 282,267.27</u></u>

See accompanying notes to financial statements.